IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX APPLICATION NO.221 OF 2002

The Commissioner of Income Tax
Mumbai City-I, Mumbai .. Petitioner
V/s
M/s.Shantaram Productions P.Ltd. .. Respondent

Mr.A.N.Kotangale for the Petitioner.

CORAM : DR.S.RADHAKRISHNAN &
J.P.DEVADHAR, JJ.

DATE : 13th February, 2007.

P.C.:

1. Heard the learned Counsel for the Petitioner. In this Appeal, the following substantial question of law is sought to be raised:-

> "Whether on the facts and in the circumstances of the case, the Tribunal was right in law in upholding the order of CIT (A) that subsidy of Rs.1,42,822/- received from the Government of Maharashtra towards the cost of production of picture 'Zunj' was capital receipt and thereby not includible in the total income of the assessee?"

2. Since the issue raised in the Application has already been covered by the judgment of the Apex Court in the case of **CIT V/s.P.J.Chemicals Ltd.- (1994) 21 ITR 830 (SC**), the Reference Application was dismissed by the Tribunal. We are not inclined to interfere. The Application stands dismissed.

(J.P.DEVADHAR, J.) **(DR.S.RADHAKRISHNAN,J.)**